Overview

Retailers are under increasing pressure to speed customer-centric merchandising decisions. Retailers must drive customer satisfaction and enhanced financial results in the face of rapid industry transformation. A high-performance, customer-centric merchandise planning system to power your omnichannel business strategy is critical.

The SAS solution provides rapid time to value, speeds better decisions, automates execution, fosters collaboration and enables unparalleled high-value insights for your teams. SAS uses advanced retail forecasting to predict customer demand and to drive planning and assortment decisions at granular levels. These predictions are based on dynamic attribute analysis, store planning and flexible merchandise hierarchies, while also being aware of store space. The solution integrates retail best practices and merchant-friendly workflows that facilitate business adoption. The merchandise planning platform is powered by retail analytics and is part of SAS’ overall omnichannel merchandising portfolio.

Only SAS provides a full suite of products that drive superior financial results through high-performance retail analytics and computing capabilities.

Why SAS for Merchandise Planning

SAS helps retailers:

• **Improve financial performance** by creating merchandise plans using demand forecasts that can dynamically re-forecast to adjust to changing demand and inventory conditions.

• **Increase customer satisfaction** by getting the right products to the right stores at the right time to address local needs quickly and to optimize store-level assortment plans.

• **Increase merchant productivity** by leveraging the analytic infrastructure for the automation of repetitive tasks.

• **Gain insights** into sales not easily obtained with traditional methods using our prepackaged analytics.

Challenges

• **Understanding your unique business.** Merchants need to be able to apply their insights along with customer insight. Older planning approaches did not allow for rapid, consumer-based insight and analysis given system design or performance constraints.

• **No way to enable strategic planning across the enterprise.** Basic planning systems or spreadsheets don’t facilitate data manipulation or allow executives to view corporate roll-ups from different vantages.

• **Poor enterprise integration.** The information necessary to assort merchandise optimally to stores and execute on merchandise plans often resides in disparate systems and spreadsheets that lead to poor integration between planning, forecasting and space allocation that translates to incorrect style, color and size items at the store level.

SAS® for Integrated Merchandise Planning
Create the most effective local assortments

Your ability to create and manage localized assortments based on consumer demand is critical to your financial success. Today’s retailers understand the need for tailoring store-level assortments based on a comprehensive understanding of consumer preference. How to determine what level of differentiation is needed while minimizing the cost and complexity of the process requires an integrated, flexible and scalable solution with built-in analytic optimization. The result is an optimal assortment based on the relationships of customers, products and locations that meets strategic objectives.

Supercharge retail planning and performance

High-performance computing capabilities combined with embedded retail best practices and automation allow merchants to find and execute on hidden insights. Merchant and financial productivity is enhanced. Reconcile plans top-down, bottom-up and middle-out to help retailers plan, execute and ensure that financial and merchandise plans work hand-in-hand.

We also provide the ability to conduct ad hoc data analysis, visually explore data, develop reports and dashboards, and share insights through the Web and mobile devices.

Integrated worksheet analytics provides the infrastructure that allows your staff to seamlessly integrate analytic results in its daily planning.

Components

SAS Integrated Merchandise Planning is the only high-performance retail planning solution on the marketplace. SAS software’s superior design allows retailers to rapidly analyze assortments from any dimension to maximize gross margin dollars; optimize tailored, local assortments; optimize use of store space; and increase customer satisfaction.

• SAS for financial planning and in-season management helps you accomplish your merchandise financial goals based on past, present and future demand.

• SAS for assortment planning allows you to analyze and tailor assortments based on any product attribute, from any dimension, while keeping consumer demand in mind. Facilitate control of merchandise spending through open-to-buy, and quickly respond to emerging business trends to maximize inventory investments and reduce liabilities.

• SAS for merchandise allocation optimizes your store-level allocations using predictive analytics and automation to increase breadth of your allocation methods and enables on-the-fly allotment creation to target market-specific needs.

The SAS Integrated Merchandise Planning suite is part of the overall SAS portfolio for retail merchandise intelligence and customer intelligence. SAS Integrated Merchandise Planning includes the following components, which can also be licensed individually:

• SAS Merchandise Financial Planning
• SAS Merchandise In-Season Management
• SAS Merchandise Allocation
• SAS Merchandise Assortment Planning

Related offerings include:

• SAS Size Optimization (a solution suite including SAS Size Profiling and SAS Pack Optimization)
• SAS Revenue Optimization (a solution suite including SAS Regular Price Optimization, SAS Promotion Optimization and SAS Markdown Optimization)
• SAS Demand Forecasting for Retail
• SAS Visual Analytics
• SAS Intelligent Clustering for Retail (service offering)

Key Capabilities

Create merchandise plans to meet strategic plan goals and targets

Merchandise planning requires resource alignment across your organization. The goal is to have the right amount and type of inventory at each store to meet consumer demand. You can ensure you have a comprehensive planning process by:

• Reviewing demand history.
• Developing a strategic plan.
• Creating a merchandise financial plan.

• Allocating for in-season management.
• Managing open-to-buy processes.
• Planning optimized local assortments.

Your management team can have full visibility into the process to ensure plans are aligned with corporate strategic objectives. You can interpret dynamic demand and planning information to create a localized merchandising mix and adjust plans based on variability of consumer demand patterns.
Integrated merchandise planning with SAS Visual Analytics – data exploration at your fingertips.

Correlation matrix shows the importance of the relationship between two KPIs.
The SAS® Difference

• **Integrated merchandise retail planning.** Never before could merchants quickly view and plan assortments from any dimension. Next-generation retail planning from SAS can change what is possible for retailers through this innovative architecture coupled with a high-performance forecasting platform.

• **Customer-focused assortments.** Enhance your ability to manage clusters and localize assortments to allow users to create and manage business-specific clusters. Produce store-level assortment plans by providing the ability to plan a cluster with the capability to drill to stores to manage exceptions inside a plan.

• **Demand-driven forecasting.** Our solutions enable more accurate planning, generating forecasts that allow you to intelligently build assortments using product and store attributes, prepopulate “seed” plans based on forecasts, and automate in-season re-forecasting.

• **Analytics retailers understand.** Our packaged analytics give retailers the ability to apply understandable, statistical answers to the problems they are trying to solve.